Statement

Measures taken by the Central Government to permit import of raw and white/refined sugar with a view of augment domestic stocks of sugar

– Allowed import of raw sugar under Advance Authorization Scheme by sugar mills at zero duty upto 30.09.2009.

– Allowed import of raw sugar at zero duty under O.G.L. upto 01.08.2009 by sugar mills, later extended upto 31.03.2010. This has now been further extended upto 31.12.2010 *vide* notification dated 11.11.2009.

– Import of raw sugar was opened to private trade upto 31.03.2010 for being processed by domestic factories on job basis. This has now been further extended upto 31.12.2010 *vide* notification dated 11.11.2009.

– Allowed duty free import of white/refined sugar by STC/MMTC/PEC and NAFED upto 1 million tons by 01.08.2009 which was extended upto 30.11.2009. Further, duty free import of white/refined sugar under OGL has also been opened to other Central/State Government agencies and to private trade in addition to existing designated agencies, upto 30.11.2009. This has now been extended upto 31.3.2010 *vide* notification dated 11.11.2009.

– Levy obligation has been removed in respect of all imported raw sugar and white/refined sugar. The white/refined sugar has been also allowed to be sold at the discretion of the importing organizations, but sugar processed from imported raw sugar is subject to accelerated releases.

Insufficient storage facilities for foodgrains

195. SHRI N. BALAGANGA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government is aware of the fact that the storage facility for the foodgrains in the country is not sufficient resulting in increase in import of foodgrains;

(b) if so, whether Government would come forward to take adequate steps to improve the infrastructure for storing foodgrains; and

(c) if so, the details thereof along with the financial allocation for the same?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) As on 31.10.09 the FCI is having a total storage capacity of 278.59 lakh MT and the total stock held by FCI is 214.46 lakh MT. If wheat procurement in RMS 2010-11 follows the trend of procurement in RMS 2009-10, the present storage capacity may not be adequate to store wheat stocks.

(b) and (c) Yes, Sir. In order to overcome the shortage of space, following steps are being taken for augmentation of storage capacity:-

i) FCI has prepared a shelf of projects to establish new godowns of 3.41 lakh MT with an estimated cost of Rs.164 crores excluding land cost and Rs.234 Crores with land cost in various States during the 11th Five Year Plan (2007-12). As per the revised estimates, total capacity likely to be created during the 11th Five Year Plan (2007-2012) would be 1.39 lakh MT with a likely expenditure of Rs.133 crores. In the 11th Plan period, the Planing Commission has sanctioned Rs. 125 crores for construction of godowns by FCI and Rs. 24 crores as Grants-in-Aid to State Governments of North Eastern States, Sikkim and Jammu & Kashmir for construction of godowns.

ii) In July, 2008, the Government formulated a "Scheme for Construction of Godowns for FCI-storage requirements through Private Enterpreneurs". Under this scheme, the FCI is to provide a guarantee for 5 years for hiring of godowns through Central Warehousing Corporation and State Warehousing Corporations. FCI has approved creation of 126.35 lakh tonnes of storage capacity under this scheme, which is given in the enclosed Statement (*See* below).

iii) Under the Scheme for Construction of Godowns for FCI and within the overall capacity of 126.35 lakh tonnes approved by FCI, the Government has allowed CWC/SWCs to build godowns on their own land for which FCI would provide 4 years guarantee for the storage charges.

iv) Temporary plinths (CAP) of 2.52 lakh MT capacity have been created during the last six months and another 1.92 lakh MT are under progress/process to be created shortly on the vacant land lying within the FCI's existing godowns.

v) The General Managers (Region)/EDs (Zones) of FCI have been delegated powers to hire additional storage capacity as per requirement.

Statement

The details of the requirement of additional storage capacity finalized by HLC of FCI, under five year guarantee scheme, 2008

Andhra Pradesh	36,000
Bihar	3,00,000
Chhattisgarh	5,000
Gujarat	45,000
Haryana	38,80,000
Himachal Pradesh	1,42,550
J&K	3,61,690
Jharkhand	1,75,000
Karnataka	1,00,000
Kerala	15,000
Maharashtra	99,500
Punjab	71,25,000
Tamil Nadu	3,20,000
Uttarakhand	25,000
West Bengal	5,000
GRAND TOTAL :	126.35 LMT

Food Security Act